



Policy Title: Town of Ingersoll Property Tax Billing and Collection

Effective Date: August 8, 2016

Review Date(s): October 10, 2017

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SECTION A - PROPERTY TAX BILLING AND COLLECTION POLICY OVERVIEW

Purpose

The Town of Ingersoll collects taxes on behalf of the County of Oxford and the school boards, and is responsible to ensure all overdue Property Taxes are collected in a timely and systematic manner.

The purposes of this policy are to establish fair and equitable processes for the billing and collection of municipal Property Taxes, and to outline how such payments will be applied. To provide staff guidance for decision making consistent with the Town's By-laws, agreements and as prescribed in provincial statute.

It also provides for legislated policy requirements, such as the various rebate programs and programs available to ratepayers and the Town to amend assessment information.

Scope

This policy covers all aspects of billing and collection of Property Taxes, and any amounts added to the roll for collection, up to and including the initiation of Municipal Tax Sale proceedings. All procedures related to a Municipal Tax Sale are carried out in accordance with Regulation 181/03.

This policy excludes collection of payments-in-lieu of taxes.

Legislative Authority

This policy is written in compliance with the Municipal Act, 2001, (the Act), related Ontario Regulations made under the Act and applicable Town bylaws, as amended from time to time.

Definitions

For the purposes of this policy:

"Cancellation Price" means an amount owing equal to all Tax Arrears, together with all current taxes owing, Penalties and interest and costs incurred by the Municipality after the registration of a Tax Arrears Certificate under section 373 of the Act.

“Collection Costs” means all costs incurred by the Town to obtain information for collection purposes and/or collect Tax Arrears including, but not limited to, title search fees, corporate search fees, registered or certified mail, administrative charges, legal costs and tax sale costs.

“Extension Agreement” means a contract between the Town and the owner, spouse of the owner, a mortgagee or a tenant in occupation to extend the period of time in which the Cancellation Price is to be paid. The contract is entered into after the registration of a Tax Arrears Certificate and before the expiry of the one-year period following the registration date.

“Municipal Tax Sale” means the sale of land for Tax Arrears according to proceedings prescribed by the Act and Ontario Regulation 181/03.

“Municipal Property Assessment Corporation” (MPAC) means an independent nonprofit corporation accountable to the province, funded by municipalities to administer property assessment and appeals.

“Penalties and interest” means amounts applied by the Town to unpaid Property Tax accounts, in accordance with section 345 of the Act and applicable Town by-laws.

“Property Taxes” means the total amount of taxes for town, county and school purposes levied on a property and includes other amounts added to the tax roll as may be permitted by applicable Provincial legislation, including but not limited to outstanding fines under the Provincial Offences Act; charges pursuant to the Property Standards By-law 01-3986 with authority provided by the Building Code Act; and fees and charges related to false alarms and/or grow-operations.

“Tax Arrears” means any portion of Property Taxes that remain unpaid after the date on which they are due.

“Tax Arrears Certificate” means a document that is registered on title, indicating the described property will be sold by public sale if all Property Taxes are not paid to the Town within one year of the registration of the certificate.

Administration

This policy is administered by the Finance Department. The Town's Treasurer will monitor the effectiveness of this policy by an internal audit, program evaluation reports or conducting regular reviews

Accountability

The Treasurer, Finance Department, is responsible to ensure that outstanding Property Tax collection processes are performed in accordance with this policy and all applicable legislation.

In addition, The Treasurer, and/or Tax Collector, is responsible to:

- ensure this policy remains consistent with current legislation;
- ensure applicable staff are aware of and trained on this policy;
- communicate any policy revisions to applicable staff; and
- review Property Tax accounts to ensure tax collection processes are performed in accordance with this policy.

Reporting

The Finance department will maintain the following reports and provide them to the Chief Administrative Officer (CAO) and Council on an annual basis, or more frequently as directed.

Tax Arrears Certificates Registered - Lists all properties against which Tax Arrears Certificates have been registered, identifying the amount of arrears and redemption date of each and details of any Extension Agreements in place.

Section 357/358 Tax Reductions for Council's Approval – Report includes roll number, reason for the reduction or exemption, the section of the Act (if applicable), the tax year to which the tax reduction will apply, the amount of reduction in assessment, the amount of the total tax reduction and the local tax portion (impact to the Town). This is required by December of each year for applications received up till that date.

For additional information contact the Treasurer or Tax Collector.

SECTION B - BILLING, PAYMENTS AND DELIVERY OF TAX BILLS

Billing - Interim

As provided in the Municipal Act, 2001, each property owner, identified on the returned assessment roll, shall be sent an interim tax bill. The interim bill shall represent up to fifty percent (50%) of the previous year's taxes billed and be payable in two instalments. This interim bill shall be mailed before the end of January. The two due dates will fall within three business days prior to the last business day of the months of February and May.

Participants in the preauthorized payment program will have received a notice in the preceding December advising of what their monthly payment withdrawal from their bank account will be. Interim tax bills will be sent to installment participants but not to monthly participants.

Billing - Final

After completion of the annual budgetary process, and the setting of tax ratios and rates, a final bill shall be sent to each property owner identified on the returned assessment roll. The final tax bill shall be the levied taxes for the year less the interim bill, and be payable in two instalments. This final bill will be sent before the end of July. The two due dates will fall within three business days prior to the last business day of the months of August and October.

All participants in any preauthorized payment program will receive a final tax bill with a note on the bill that they are a participant in a preauthorized payment plan and that the bill is for information purposes only.

Supplementary

After receiving notification from the Municipal Property Assessment Corporation (MPAC) tax bills shall be calculated, printed, and sent to each proper owner identified on the supplementary/omitted assessment notification listing from MPAC.

All participants in the instalment preauthorized payment program will receive a tax bill, with a letter stating they are a participant in a preauthorized payment plan and the supplemental bill will be processed on the final installment in October with the regular installment payment.

Participants in the monthly preauthorized payment program will receive a letter advising them the supplementary bill is due separate from the preauthorized payment plan. The letter will further urge the property owner to contact the Town in writing if they choose to have it calculated as part of the preauthorized plan. Supplementary billings will be processed with a due date to the last installment of the year however it may not be sufficient time to accommodate a monthly payment plan.

Due Dates

The Municipal Act, 2001, section 343 (1) provides that each property owner be given twenty-one (21) days' notice to pay when receiving a tax bill. However, the Town may give more notice whenever possible.

Delivery

The Treasurer shall mail or send electronically a tax bill to the taxpayer. The bill will be send electronically if the taxpayer has chosen in writing to receive the tax bill in that manner.

Mortgage Company

A mortgage listing of roll numbers, taxes due and owing and the due dates, in standard format will be provided to each mortgage company who has provided the Town with notification that they hold an interest in a particular property.

Property Tax bills and notices are sent to the address of the property as shown on the tax roll unless the taxpayer advises the Town, in writing, of an alternate mailing or electronic address. Use of the alternate address continues until it is revoked in writing or ownership of the property changes.

Any bill or notice sent by standard letter mail is considered delivered to and received by the addressee unless the notice is returned by Canada Post and an error in the mailing address is evident. Taxpayers are responsible to notify the Finance office of any changes to a mailing address. Failure to notify the Town of an address change in writing is not an error on behalf of the Town.

Payments

Payment of taxes must be received in the Town's finance office, or be post marked, on or before the due date. The following are the methods of payments that are available to the property owner:

- a) Telephone or Internet Banking – using the nineteen digit roll number as the account number;
- b) One of the Municipality's Preauthorized Payment Plans;
- c) Postdated check(s);
- d) In person, at the counter or drop box of the Town offices at 130 Oxford Street, Ingersoll (the drop box is accessible after hours as well)
- e) Payments by a mortgage holder;
- f) Other alternatives as approved by the Treasurer.

Payments may be made using one or more of the following methods:

- a) Cash,
- b) Check,
- c) Money Order, and/or
- d) Debit.

If a property has been registered through the Municipal Tax Sale process the payment MUST be in the form of a certified check or bank draft. Partial payment is not accepted where a Tax Arrears Certificate has been registered against a property, except where the Town has entered into an Extension Agreement.

Receipts will be provided for all cash payments and upon request by the registered owner for all other methods of payment. To registered owners whose payments are made on their behalf by a mortgage company, the receipted tax billing will be sent to the registered once all installments have been made by the mortgage company and serve as their income tax receipt.

In accordance with the Municipal Act, 2001, section 347 (1) payments shall be applied as follows:

1. The payment shall first be applied against late payment charges owing in respect of those taxes according to the length of time the charges have been owing, with the charges imposed earlier being discharged before charges imposed later.
2. The payment shall then be applied against the taxes owing according to the length of time they have been owing, with the taxes imposed earlier being discharged before taxes imposed later.

Pre-Authorized Payment Plan

To assist property owners who prefer to equalize their annual tax payments the following preauthorized payment plans are offered.

- a) **Monthly** – provides for a withdrawal from the property owner’s bank account to the Town’s bank account, ***on the first business day of each month*** an amount sufficient enough to ensure that all taxes billed are paid within the current year. Property owners are eligible if their account is paid up to their chosen date of enrolment. If balances remain on the applicable tax account penalty and interest does not apply. But, if a property owner’s payment fails to clear the bank, two (2) consecutive times, the Town reserves the right to terminate the plan and penalty and interest will apply from that point forward.

- b) **Monthly – Accounts in Arrears** – Property owners in arrears may make a special payment arrangements with Treasurer/Deputy Treasurer to be placed on a monthly payment plan. Applicable penalties and interest will still apply on all outstanding balances. Outstanding balance plus all current/future taxes and penalties will be considered over a 24 month payment schedule to bring the account to current.

The dollar amount to be withdrawn from the participants account shall be recalculated twice a year:

- Once in January, calculating a monthly amount based on the previous current year’s taxes averaged over twelve payments, to take effect on January 1st of the year. For example in January 2017 take the total taxes for 2016 and divide it by 12 months. This would give the monthly withdrawal amount commencing on January 1st, 2017; and

 - In June after the calculation of the final tax bill. In both cases the property owner shall receive a notification as to the dollar amount change. This calculation would be the current year’s taxes, less what has been paid, divided by the remaining months (or withdrawals) in the year.
- c) **Instalment** – provides for a withdrawal from the property owner’s bank account to the Town’s bank account, on the due date an amount sufficient enough to ensure that all taxes due and payable on the said date are paid in full. Property owners are eligible if their account is paid up to their chosen enrolment date. If a property owner’s payment fails to clear the bank, two

(2) consecutive times, the applicant relinquishes their right to participate in the program. Penalty and interest will be applied to all amounts past due.

To participate in any of the Preauthorized Payment Plans applicants must submit an application in writing on the Town's prescribed form and submit it before the twenty-fifth (25) of the month prior to the payment withdrawal date.

Participants in the program wishing to make changes to their application (for example banking information), or cancel their participation in the program must do so in writing within twenty (20) calendar days prior to the payment withdrawal date.

Note that pre-authorized payment plans are an alternative payment plan of the tax bills that are issued with posted due dates, offered as a courtesy. Failure to keep the arrangement in good standing will result in the cancellation of this courtesy. To download a form from Town's website <http://www.ingersoll.ca/residents/property-taxes/pre-authorized-payments>

Late Payments and Charges/Penalties and Interest

Payments not clearing the payer's bank will result in the payment being removed from the applicable tax account and an administrative fee, as indicated in the Town of Ingersoll's User Fee Bylaw, being added to the applicable account.

The payer shall be advised of the returned payment, administrative fee, and the current balance due and owing on their account.

All Tax Arrears are also subject to penalties and interest. In accordance with the Act, section 345 and the Town's bylaws, penalty and interest shall be charged at the rate of 1.25% per month on any tax arrears that remain outstanding on the first calendar day of each month. The penalty run is generated in the first three (3) business days of the month, so as to allow for post-marked mail, on-line banking and payments made at a financial institution.

Penalty and interest charges cannot be waived.

SECTION C – PROPERTY TAX ARREARS COLLECTION

Realty taxes are a secured special lien on land in priority to any other claim, except a claim by the Crown. Taxes may be recovered with costs as a debt due to the Town from the original owner and/or any subsequent owner of the property.

The Town will primarily use the following methods to collect Tax Arrears:

- verbal communication;
- issue Instalment End Statements of Taxes, Overdue Notices and Final Notices;
- send the taxpayer a form or personalized letter(s);
- arrange terms of payment;
- Municipal Tax Sale.

Collection Steps

To remind property owners that their tax account is not in good standing the Tax Collector shall send a reminder notice to each property owner, whose account is over ten dollars (\$10.00) in arrears. Overdue Reminder notices shall be forwarded to the property owner on or before the fifteenth (15th) day of the month immediately following the last instalment month in which a due date has occurred. For example, the interim instalments are due at the end of February and May. A reminder notice would be sent out on or before 15th of March and June respectively. Reminder notices may be sent out more frequently at the discretion of the Treasurer. Overdue notices will not be sent to taxpayers with overdue amounts less than ten (\$10.00) dollars.

Year End Statement of Taxes: The Act requires that the Treasurer send a statement on or before the last day of February of each year to any property owner who has arrears on their respective tax account. The statement must be the balance at December 31st of the prior year.

Payment Arrangements: The Tax Collector may enter into payment arrangements with ratepayers at any time prior to the registration of a Tax Arrears Certificate. Payment arrangements must include all tax arrears, current taxes, accruing estimates of future taxes and penalties and interest and be sufficient to ensure payment in full is realized within a reasonable period of time. Penalties and interest will continue to accrue during all such payment arrangements until full payment on the account has been made.

Post-dated checks are the preferred method of payment but pre-authorized payments may be considered in some circumstances, at the Treasurer's discretion.

Authorization for extending payment terms is as follows:

	Maximum Negotiable Payment Arrangement Term		
Staff Level	Residential	Non-Residential	Crown Tenant
Treasurer/Tax Collector	>24 months	>24 months	>36 months

Notwithstanding any such arrangements, no third party payments will be refused for payment on account (e.g. payment from a mortgagee), as long as the third party has sufficient information regarding the property. Confidential account information will not be released to unauthorized parties.

If acceptable payment arrangements are negotiated, the account is monitored for compliance. Follow-up with the taxpayer is done by telephone or in writing, as required.

Once a payment arrangement has been established, if there are two consecutive returned payments or two payments are returned within six months, the payment arrangement is deemed void and the taxpayer is advised that payment in full, by certified funds or money order, is required or the next collection step will be taken.

Collection Steps for Accounts with Two (2) + Arrears

If acceptable payment arrangements are not negotiated, then all properties with two (2) + years in arrears may be subject to the Municipal Tax Sale Process, as set out in Part XI, of the Municipal Act, 2001.

At least once per calendar year, the Town shall review its Property Tax Aged Trial Balance for property owners whose taxes are at or approaching two years in arrears. All properties with taxes which are two or more years in arrears, may have the Municipal Tax Sale process enacted.

In addition to issuing Year-End Statements of Taxes and Overdue Notices as outlined above, the following actions will be taken once a property is identified for tax sale;

1. ***Final Notice-Prior to Tax Sale*** - Final Notices-Prior to Tax Sale are mailed to those residential property owners with two years or more Property Tax arrears. The Final Notice-Prior to Tax Sale advises that they have thirty (30) days to pay the taxes or enter into a firm, suitable payment arrangement with the Town.

Any payment arrangements made should be documented specifying the time schedule, method of payment and the amount of each payment. No plan should exceed a period of twenty-four (24) months, at the Treasurer's discretion.

2. ***Notice to Interested Parties*** - If a residential property owner fails to respond to the Final Notice-Prior to Tax Sale, the files are transferred to a third party to conduct a property title search in order to identify all parties with a financial interest in the property. The identified parties are then notified of the Tax Arrears. The Notice to Interested Parties advises that the Town intends to proceed with a Municipal Tax Sale Registration and possible tax sale, if necessary, and provides interested parties with an opportunity to pay the arrears in order to protect their interest in the property.
3. ***Final Notice-Prior to Tax Arrears Certificate Registration*** - If neither the property owner nor interested parties respond to the previous notices, a Final Notice-Prior to Tax Arrears Certificate occurs.

A Notice of Intent to Realize on Security that asks if the taxpayer is currently engaged in farming for commercial purposes, and as required by the Farm Debt Mediation Act, is sent with the Final Notice-Prior to Tax Arrears Certificate Registration.

4. ***Tax Arrears Certificate Registration*** - Once all other collection efforts are exhausted and the Municipality has been unable to secure payment of the Tax Arrears or a firm, suitable repayment plan, the Town commences Municipal Tax Sale proceedings by registering a Tax Arrears Certificate against the property. The Town of Ingersoll sends a Notice of Registration of Tax Arrears Certificate (Form 1) to the property owner and all interested parties.

If full payment of tax account including additional interest and collection fees are not received within 280 days of registration of the Tax Arrears Certificate, the Town issues a Final Notice (Form 3) to the property owner and all interested parties within 30 days after the expiry of the 280-day period. Form

3 specifies the date on which the property will be advertised for public sale if the Tax Arrears are not paid or unless the Treasurer has approved an Extension Agreement. Once a Tax Arrears Certificate has been registered, **only full payment of the Cancellation Price will be accepted unless an Extension Agreement has been entered to. Full payment will be accepted up to the date of transfer of ownership of the property following a sale.**

Extension Agreements

An Extension Agreement (as defined by section 378 of the Municipal Act) must be requested by the property owner, their spouse, the mortgage holder or their legal agent, prior to the one year period of the registration of the Tax Arrears Certificate.

If no agreement is reached as to the terms, and or the agreement is denied by the Treasurer, the tax sale proceeds by returning to the point where the stop in the tax sale process was at immediately prior to the Extension Agreement being requested.

An Extension Agreement may be entered into with the property owner prior to the expiration of the one year period from the date of registering the Tax Arrears Certificate.

When an Extension Agreement is entered into a copy shall be placed in the Municipal property files and the sale process is suspended or placed on hold until all the terms of the agreement have been fulfilled.

If there is a breach of the Agreement the tax sale process recommences by returning to that step in the tax sale procedure immediately prior to the Extension Agreement being entered into.

When the terms of the Agreement have been fulfilled the Treasurer shall register a Cancellation Certificate on the land title, thus signifying that the tax sale has been averted, and the process stops.

Public Tender – Sale of Land Process

The Municipal Act, 2001 provides that the property may be sold by sealed tender, or public auction. The Town`s preference is by sealed tender.

If taxes remain unpaid after the one (1) year period has passed and no Extension Agreement has been entered into, the land will be advertised for Tax Sale.

Land is advertised for sale in accordance with the Regulations under the Municipal Act, 2001.

Tenders are opened in an open forum, recorded as received, and then reviewed to ensure completeness of the tenders submitted. (Note: Council may make a bid or tender on a property, by resolution, but they must have a public purpose for the property.)

Highest tender or two highest tenders, if more than one is received are retained. The minimum acceptable bid is the cancellation price.

Notice sent to highest bidder requests payment of the balance of the amount tendered, applicable land transfer tax, and accumulated taxes. All tax sale costs are added to the Collector`s Roll balance.

Payment must be received from the highest bidder within 14 days of the date of the notices of highest bidder being mailed by the Treasurer. Upon receipt, the Treasurer shall issue a receipt and declare the highest bidder to be the successful purchaser. If no payment is received within 14 calendar days of the mail of the notice the deposit is forfeited. A notice is then sent to the second highest bidder and the process repeats.

The Treasurer has the discretion to cancel a Tax Sale pursuant to section 382 (6) of the Municipal Act, 2001 at any time up to the registration of a tax deed or notice of vesting.

Deed Issuance and Registration

Sale proceeds less the cancellation price, is paid into the Superior Court of Justice together with the Statement of Facts. All of the tax sale costs are added to the Collector`s roll before declaring the surplus funds.

Tax deed and statutory declaration of the Treasurer is registered on title.

Note: The cancellation price may be paid by the former owner any time before title has been transferred, including when there has been a successful purchaser by tender or by auction.

Vesting

Where there is no successful purchaser a Notice of Vesting may be issued and the Treasurer shall register a declaration to that effect at the local land registry office. Council has two (2) years to decide whether to vest a property. The Municipal Act, 2001 allows for inspection of the property including an environmental assessment.

Council may re-advertise for another tender or auction within two (2) years without writing off the tax arrears.

If Council decides not to vest, Council may choose to write off the taxes and issue a tax cancellation certificate. Each year the Tax Collector may prepare a list of such properties for annual write-off thereafter.

Council may also decide to write off all or part of the taxes with the purpose of re-registration of the tax arrears and repeating the tax sale process from the beginning.

If Council decides to vest the property, the tax arrears will be written off and the property may be declared surplus assets and advertised for sale.

SECTION D - WRITE-OFFS & REBATES

From time to time the Town of Ingersoll will receive, via various modes discussed below, notifications of change in assessment or tax class. Upon receipt of the notification the Town will process the calculation within two months of receipt of the notification, depending on whether or not the final billing for the affected tax year has been calculated and mailed. This will facilitate the Municipality maintaining a balanced Collector`s Roll as it relates to the amended Assessment Roll.

Some of the types of assessment notifications that may affect the assessment value on a property which may result in a write off or reduction in taxes are:

- Applications for Reduction in Assessment - under section 357 & 358 of the Municipal Act, 2001.
- Assessment Review Board (ARB) Decision – under the Assessment Act
- Minutes of Settlement (MOS) – under section 40 of the Assessment Act
- Request for Reconsideration (RFR) – under section 39.1 of the Assessment Act
- Post Roll Assessment Notice (PRAN) – under the Assessment Act
- Advisory Notice of Adjustment (ANA) – under the Assessment Act
- Vacant Commercial & Industrial Unit Rebates – under section 364 of the Municipal Act, 2001.
- Charity Rebates – under section 361 of the Municipal Act
- Legion Rebates – under section 6.1 of the Assessment Act
- Grant Rebate of municipal portion of taxes only.

Commercial and Industrial property owners must contact MPAC and attempt to arbitrate a change in assessment prior to filing any of the above noted applications, with the exception of the *Application For Reduction in Assessment*. If a successful outcome is achieved MPAC will issue an RFR, have the property owner sign, and then send an executed copy to the Town for processing.

Penalty and Interest Reversal on Write-offs

As per the Municipal Act, 2001 section 345 (6) & 345 (7) penalty interest that has accrued on a property tax account as the result of non-payment, and a write off taxes has occurred as the result of one of the legislation tax reduction methods; the penalty and interest shall be reversed as though the taxes had originally been billed correctly.

The amount of penalties and interest cancelled is limited to the amount related to the tax reduction associated with a tax adjustment, change in assessment or Town error or omission.

Applications for Reductions in Property Assessment Value (Section 357 and 358)

Under section 357 and 358 of the Municipal Act, 2001 applications may be made to the Town, for reduction in assessment, by the property owner, or their agent for the following reasons:

- Building was razed by fire,
- Building was demolished,
- Ceases to be liable for the tax rate that the property had been originally billed at,
- Became exempt from property taxation,
- Is damaged and substantially unusable,
- Where a Mobile unit is removed,
- Experiences a Gross or manifest clerical / factual error,
- Is under repairs / renovations preventing normal use (min. 3 months).

The prescribed form must be completed and returned to the Town of Ingersoll. Said form may be obtained from the Town`s web site at www.ingersoll.ca or at the Municipal Finance office 130 Oxford Street, Ingersoll, On N5C 2V5.

The Act requires that the following procedure occur:

- 1) An application may only be made by the owner of the land at the time of the application or by another person who has an interest in the land, or a tenant or occupant, or the spouse of the owner.
- 2) An application under this section must be filed with the Treasurer on or before the last day of February of the following year in respect of which the application is being made. For example, an application being made to affect the 2010 assessment must be filed on or before February 28, 2011.
- 3) Applications are then forwarded on to the MPAC for their recommendation of assessment value, and or tax class change.

4) The tax change is calculated by the Tax Collector, using the recommended changes from MPAC. The reduction of taxes (if any) will be forwarded to the property owner on a supplementary billing.

5) The Treasurer will prepare a report of recommended changes for Council to review, that includes roll number, reason for the reduction or exemption, the section of the Act (if applicable), the tax year to which the tax reduction will apply, the amount of reduction in assessment, the amount of the total tax reduction and the local tax portion (impact to the Town).

6) The applicant then has thirty-five (35) days to appeal to the Assessment Review Board if they do not agree with the results.

Assessment Review Board Applications

Property owners may apply to the Assessment Review Board (ARB), on the prescribed form to appeal their assessment. The deadline for these types of appeals is March 31st of the current year, for the current year's taxation assessment. Applications, fees, and deadlines are available on the ARB web site at www.arb.gov.on.ca

After receipt of an ARB decision, or minutes of settlement, the Town shall recalculate the taxes for the affected year or years within 120 days of receipt, and notify the property owner accordingly.

Request for Reconsideration (RFR)

Requests for Reconsideration are issued by MPAC after negotiating a settlement with the property prior to a property owner making application to the ARB. Normally the property owner would contact MPAC who then would discuss or meet with the property owner and both parties would come to a consensus as to what the outcome would be. MPAC would issue the RFR, get the property owner's signature of agreement on it, and then send a copy of that agreement to the Town. The Town may choose to appeal the RFR or process it without objection.

This type of request will be processed as soon as possible the following month after receiving the notice from MPAC or after final billing, or a Notice of Decision from MPAC.

Post Roll Assessment Notices (PRAN)

These are notices that are issued by MPAC advising the property owner and the Town that a change in assessment has occurred after the return of the assessment roll.

This type of request will be processed as soon as possible in the following month after receiving the notice from MPAC, or a Notice of Decision from MPAC.

Advisory Notice of Adjustment (ANA)

These notices are required by the Assessment Act to adjust the Current Value Assessment (CVA) starting point and phased-in assessments following a change to a property's assessment, when no other notice is otherwise required to be sent to the property owner. Most often they are sent following an Assessment Review Board (ARB) decision.

Vacant Commercial & Industrial Unit Rebates

The Municipal Act, 2001, section 442 requires that every municipality must provide for vacant commercial and industrial rebates. There are specific guidelines relative to this type of applications such as:

Exclusions

A building or portion of a building will not be eligible for a rebate if:

- It is used for commercial or industrial activity on a seasonal basis;
- During the period of vacancy it was subject to a lease, the term of which had commenced; or
- During the period of vacancy it was included in a sub-class for vacant land.

Eligibility

Category 1 – Buildings that are entirely vacant

A whole commercial or industrial building will be eligible for a rebate if the entire building was unused for at least ninety (90) consecutive days.

Category 2 – Buildings that are partially vacant

A suite or unit within a **commercial** building will be eligible for a rebate if, it was unused; **and** clearly delineated or physically separated from the used

portions of the building; **and** either capable of being leased for immediate occupation, undergoing or in need of repairs or renovations that prevented it from being available for lease for occupation, or unfit for occupation, for at least ninety (90) consecutive days.

A portion of the **industrial** building will be eligible for a rebate if, for at least 90 consecutive days if it was unused; **and** clearly delineated or physically separated from the used portions of the building.

Who and When to Apply

An owner, or their agent, may apply:

Once a year before February 28th of the year following, the taxation year to which the application relates.

Or

Twice a year. An interim application may be made after the first six (6) months, and a second application may be submit for the second six (6) months of the year.

The final application must be submitted on or before February 28th of the year following the taxation year to which the application relates and include;

- The Property information,
- If applying for only a portion of the building a drawing of the building must be provided indicating what portion of the building is vacant,
- A completed questionnaire,
- If the building is for rent or lease, proof it is being offered for rent or lease,
- Any other information the Town Treasurer may request.

Rebate Payments

Rebates will be applied as per the Municipal Act 2001, Section 347, (1)

1. The payment shall first be applied against late payment charges owing in respect of those taxes according to the length of time the charges have been owing, with the charges imposed earlier being discharged before charges imposed later.

2. The payment shall then be applied against the taxes owing according to the length of time they have been owing, with the taxes imposed earlier being discharged before taxes imposed later.

Unless return of the rebate is requested in writing, rebates will remain on account to offset future tax billings. If an applicant is in the process of selling their property they are urged to ensure that their solicitor is aware of this application and of the possibility of a pending rebate.

Applications are available on the Town's web site at www.ingersoll.ca or at the Town Finance office at 130 Oxford Street, Ingersoll, Ontario N5C 2V5. If leasing, be able to identify the amount of taxes included in their lease payments.

SECTION E - MISCELLANEOUS

Bankruptcy

When a property owner files for bankruptcy, the Town is a secured creditor, as the tax debt is a charge against the real property. The Town ranks in preference and priority to any other claims, except those of the Provincial and Federal government. A letter is forwarded to the trustee advising them of the Town's claim and that it is assumed Property Taxes will be paid once the property is sold.

Contaminated Property

Council shall approve any tax sale proceedings where it is suspected that a property is environmentally contaminated.

Discretion

In order to ensure that all taxpayers are treated fairly and equitably, the Treasurer, or his/her designate, has the authority to exercise discretion in the application of this policy where unusual circumstances are apparent, provided such discretion is in accordance with all applicable legislation.

Refunds of Credit Balances on Accounts

From time to time property tax accounts may experience credit balances for various reasons, such as:

- Duplicate payment of a tax instalment(s),
- Mortgage company and property owner both pay an instalment,

- A reduction in assessed value,
- A change in a tax class to lesser tax rate class, and/or
- Preauthorized Payments made in advance of an instalment being due.

Credit balances will be refunded under the following conditions, note that refunds other than assessment related will have administration fees applied:

- 1) Duplicate payment of a tax instalment – the property owner must request in writing to have the overpayment refunded. Administration fee applies.
- 2) Mortgage company and property owner both pay an instalment – the property owner must request in writing to have the overpayment refunded, and direct who the overpayment is to be returned to. Furthermore, no overpayment will be refunded unless all instalments billed have been cleared. Administration fee applies.
- 3) Mortgage Company overpays an instalment or no longer represents the property owner – because the Town is not aware of the agreement between the financial institution and the property owner the Town will only refund the financial institution overpayment on the written direction of the property owner. Furthermore, no overpayment will be refund unless all instalments billed have been cleared, unless the property has been sold to another owner. Administration fee applies.
- 4) Preauthorized Payments made in advance of an instalment being due.
- 5) Prior to refunding any credits from the property tax account, the Town will verify that all other debts with the Town (utilities, and miscellaneous accounts receivable, etc.) have been cleared prior to releasing a credit refund. The Town reserves the right to transfer credits on property tax accounts to accounts with other debt.
- 6) Credits as the result of an assessment reduction will be refunded, but only after the last instalment billed has been cleared. For example: a prior year assessment reduction is calculated in January; the interim tax bills are generated the second week of January with the last instalment on the interim billings due on the last business day in May. Any credit balance on the account will be applied first to the two instalments and then any remaining credit balance will be refunded to the registered property owner at the time the check is issued.

7) Credit balances being refunded will be issued to the property owner at the time the check is issued. Property owners selling properties who have outstanding application(s) should ensure that their solicitors are aware of possible tax reductions. **The Town will not divide credit balances between previous and current owners as the result of a tax reduction. This is mainly because the Town does not have knowledge of legal agreements that may or may not be in place between the seller and the purchaser.**

Severances / Consolidations of Properties /Sales

From time to time property owners will apply for **severances** of their properties under the authority of the Planning Act. If granted by the Planning Committee the assessment values must also be split between all the parcels of land. As part of their legislated services MPAC provides the divided assessment information. Under the authority of the Municipal Act 2001, section 356 the Treasurer may divide the assessment roll into the parcels being severed and direct the property taxes accordingly.

As severed portions of land are often **sold**, the Town will not recalculate the property taxes for a part year. It is understood that the seller's and buyer's lawyers would address who owes what as part of the property sale process.

Consolidations are processed by MPAC at the written request of the property owner. Property owners should contact MPAC directly.

Low-Income Senior/Low Income Disabled Person Tax Deferral

Section 319 of the Municipal Act, 2001 requires that a municipality shall have a policy for the provision of a Low Income Senior or Low Income Disabled Person tax deferral.

Deferral – the taxes are not forgiven nor written off – it is still a lien on the property and must be addressed at some point.

To qualify for a Low Income Senior or Low Income Disabled Deferral the following criteria must be met:

- 1) The applicant, or spouse, must occupy the property as personal residence and have been assessed as the owner of the occupied residential property.

- 2) The applicant, or spouse, must be in receipt of benefits from one of the programs as outlines in the application form.
- 3) Applicants must supply proof of receipt of benefits from the program specified on the application. An example of which would be a photocopy of the most recent check received from the specified program.
- 4) Eligible applicants will be allowed to defer \$50.00 or more of their annual property taxes which resulted from a change to the assessment of the residential property pursuant to the requirements of the Fair Municipal Finance Act and the Municipal Act, as amended.
- 5) In the event of a tax deferral is granted, no interest charges will be added to the amount deferred.
- 6) To maintain eligibility, the applicant`s property taxes must be current.
- 7) In the event the property title is transferred, the remaining amount of all taxes deferred shall become due and payable on the date of transference of such title.
- 8) Earlier repayment could be based on an individual taxpayer`s financial circumstances, or as a result of tax sale of the property.
- 9) All deferred taxes become due on the disposition of the property.
- 10) In the event that it is later determined that the applicant is not eligible for deferral of taxes as indicated under the eligibility criteria, the deferred taxes will be withdrawn and the applicant must repay the deferred taxes in full.
- 11) The applicant must complete the appropriate Town form and submit it to the Tax Collector at 130 Oxford Street, Ingersoll, Ontario N5C 2V5.

Sharing of Information

1. The Town is subject to the Municipal Freedom of Information and Protection of Privacy Act. Departments must comply with the Town's obligations under this Act.
2. The Town must protect the privacy of individuals with respect to personal information about themselves held by the Town and to provide individuals with a right of access to that information. R.S.O. 1990, C.F.31, s.1.